



# MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

## EMPLOYMENT TRENDS

The seasonally adjusted unemployment rate for the Magic Valley Labor Market Area (LMA) was 4.0 percent in February 2003. This is two-tenths of one percentage point lower than January 2003 and five-tenths of one percentage point lower than February 2002. The *Civilian Labor Force* was 820 persons higher from January to February 2003 and 2,130 persons higher year-over-year.

*Nonfarm Payroll Jobs* increased a healthy 7.9 percent year-over-year. Several sectors showed significant increases from February 2002 to February 2003. *Construction* had a strong increase of 44.2 percent year-over-year. This is attributable primarily to the Twin Falls housing market that set a record for new housing permits in 2002, breaking the previous record set in 2001. *Manufacturing*, which includes both *Food Processing* and *Other Manufacturing*, increased a total of 14.3 percent. This increase was mainly in the cheese and milk processing sectors. The sector that showed the largest decrease from February 2002 to February 2003 is *Government-Education*. The outlook for this sector is uncertain because of budget concerns and possible cutbacks in the Idaho state budget.

In general, the Magic Valley LMA is still consistently outperforming the rest of the state. The Mini-Cassia area is facing serious job losses in early 2004 due to the closure of the J.R. Simplot potato processing plant in Heyburn announced last spring and the recent McCain Foods announcement that it will be cutting 125 jobs indefinitely. The Sun Valley area has had a slightly below-average winter and its outlook depends on the duration of the war with Iraq and consumer concerns about travel safety. Consumer confidence in most of the Magic Valley remains high. The water levels seem to be adequate for the agricultural crop year, even though some markets such as potato, milk, and grain are areas of concern. However, with the existing diversity in the employment sectors, the employment outlook remains optimistic.

Magic Valley Table 1: Labor Force & Employment  
Twin Falls, Jerome, and Gooding Counties

	Feb 2003*	Jan 2003	Feb 2002	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	52,630	51,810	50,500	1.6	4.2
Unemployment	2,090	2,200	2,280	-5.0	-8.3
% of Labor Force Unemployed	4.0	4.2	4.5		
Total Employment	50,540	49,610	48,220	1.9	4.8
<b>Unadjusted</b>					
Civilian Labor Force	51,360	50,280	51,880	2.1	-1.0
Unemployment	2,600	2,660	2,170	-2.3	19.8
% of Labor Force Unemployed	5.1	5.3	4.2		
Total Employment	48,760	47,620	49,710	2.4	-1.9
JOBS BY PLACE OF WORK					
<b>Nonfarm Payroll Jobs**</b>	40,120	40,780	37,190	-1.6	7.9
<b>Goods-Producing Industries</b>	7,900	7,930	6,510	-0.4	21.4
Natural Resources & Mining	30	30	40	0.0	-25.0
Construction	2,250	2,180	1,560	3.2	44.2
Manufacturing	5,610	5,730	4,910	-2.1	14.3
Food Manufacturing	3,680	3,820	3,150	-3.7	16.8
Other Manufacturing	1,930	1,910	1,760	1.0	9.7
<b>Service-Producing Industries</b>	32,230	32,850	30,680	-1.9	5.1
Trade, Transportation & Utilities	9,810	9,870	9,530	-0.6	2.9
Wholesale Trade	1,850	1,830	1,750	1.1	5.7
Retail Trade	5,800	5,790	5,540	0.2	4.7
Utilities	210	210	180	0.0	16.7
Transportation & Warehousing	1,940	2,040	2,070	-4.9	-6.3
Information	500	490	480	2.0	4.2
Financial Activities	1,680	1,670	1,540	0.6	9.1
Professional & Business Services	5,080	5,110	3,940	-0.6	28.9
Educational & Health Services	3,070	3,050	2,960	0.7	3.7
Leisure & Hospitality	3,450	3,580	3,120	-3.6	10.6
Other Services	1,490	1,450	1,340	2.8	11.2
Government Administration	3,030	3,500	3,900	-13.4	-22.3
Government Education	4,130	4,120	3,880	0.2	6.4

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

## AREA DEVELOPMENTS

### Twin Falls County

- The Twin Falls Chamber of Commerce awarded its prestigious Curtis T. Eaton Award for Business Excellence to the proprietor of Team Con Paulos. The chamber stated that Con Paulos and his team exemplify business character and excellence. Mr. Paulos, owner of two automobile dealerships in the Magic Valley, is an essential partner in economic development in the Magic Valley and is a citizen partner with the Idaho Department of Commerce. He also serves on the Governor's 2020 Blue Ribbon Task Force and has been an effective and successful advocate for the Magic Valley.
- Minneapolis-based Best Buy, Inc. announced plans to open a new store in Twin Falls in the fall of 2003. Real estate negotiations are continuing, and a final site has not been disclosed. The 30,000-square-foot store will

employ between 80 and 150 full- and part-time people. Best Buy specializes in consumer electronics, personal computers, entertainment software, and appliances. Best Buy has a presence in Twin Falls with the Sam Goody store located in the Magic Valley Mall.

- Sioux Falls, South Dakota, based Summit Group, Inc. plans to build a 75-room hotel on the corner of Pole Line Road and Fillmore Streets in Twin Falls. The company plans to begin construction in July 2003 and open in April 2004. The hotel will include such amenities as a swimming pool, spa, exercise room, and meeting and banquet facilities. The Summit Group is currently negotiating with Hilton Hotels Corporation to use the Hampton Inn & Suites franchise for the planned hotel. The hotel is expected to hire approximately 20 full- and part-time employees.
- The City of Buhl has begun its \$2 million downtown revitalization project. The project calls for tearing up and rebuilding downtown streets, sidewalks, curbs, and gutters. New street lights, benches, garbage cans, more off-street parking, attractive entrances to the city, restoring historic building fronts and other improvements will come at a later date. The initial work is expected to last through mid-June.

#### **Blaine, Camas, Gooding, Jerome, and Lincoln Counties**

- WOW Logistics held its grand opening and ribbon cutting at its new facility in Jerome in late January. Among those attending and speaking were Jerome Mayor Charles Correll and Idaho Governor Dirk Kempthorne. Tom Oswald, Chief Financial Officer of WOW Logistics, and Bob Rossi, Director of the WOW Development Group, announced that the new 232,650-square-foot warehouse was filling rapidly and that WOW was planning a 70,000-square-foot expansion project immediately. WOW employs 12-15 workers. Another five to ten new workers may be hired after the expansion.
- A new Sonic Drive-In has opened on South Lincoln in Jerome near Wal-Mart at 2700 South Lincoln. The new Sonic will employ 35 full- and part-time workers. Sonic specializes in made-to-order fast food and specialty menu items, and is unique for its carhop service.
- The Sawtooth National Forest's Ketchum Ranger District has approved Sun Valley's plan to build a ski and snowboard halfpipe on the left side of Lower Warm Springs below Race Arena on Bald Mountain. Skiers and snowboarders use halfpipes to perform aerial maneuvers and tricks. Crews will excavate the area for the halfpipe this summer. Approximately 1.8 acres of ski run will be graded into the halfpipe foundation. The dirt walls will be between 3 and 7 feet above the ground level and excavated between 4 and 9 feet below the ground level. It is expected that this halfpipe will be an excellent attraction for the resort and result in attracting more skiers and snowboarders.

#### **Cassia and Minidoka Counties**

- The Burley Wal-Mart, which was recently expanded into a Supercenter, held its grand opening in March.

The expansion more than doubled the size of the existing store and includes expanded products and services, such as groceries, a beauty salon, and a new McDonald's restaurant. McDonald's is hiring approximately 20 full- and part-time employees and the beauty salon will hire five to 10 workers. Wal-Mart hired an additional 125 workers, bringing its staff total to approximately 290 workers.

- Brian Tibbets has been hired as the new community development specialist by the City of Burley. Tibbets will work with business owners to continue the downtown revitalization project and will also focus on the centennial celebration in 2007. Mr. Tibbets is a graduate of Utah State University. He and his wife Keri have two children.
- McCain Foods announced that it will eliminate one full shift from its operation at the Burley potato processing plant, resulting in the layoff of 125 workers beginning June 20. McCain has been running a shift schedule where employees work seven 12-hour shifts per pay period. The company will be changing to three, eight-hour shifts, which will cut one full shift from the plant's schedule. The company cited a deteriorating potato market as the reason for the cutback. The company expressed hope that the market will soon improve and the layoffs will be temporary. The effect on farmers' potato contracts had yet to be determined, but with the announced Simplot closure in 2004 and the McCain layoff, there will be some serious concerns about the number and prices of contracts offered. The potato acreage affected by these changes spreads from Power to Elmore Counties in Southern Idaho.
- *Farm Times*, a monthly agricultural newspaper circulating in Idaho and other Western states, has been sold to the *Times-News* of Twin Falls. The *Farm Times* was located in Rupert. The *Times-News* made the purchase on behalf of its parent company, Lee Publications, Inc. of Davenport, Iowa. *Farm Times* printed a monthly agricultural periodical and also printed *Beef Times*. The *Times-News* plans to combine *Farm Times* with its own publication *Ag Weekly*. The combined publication will have a circulation of about 33,000 readers in Idaho and surrounding states. *Ag Weekly* will continue publishing weekly, but once a month will include an expanded publication with selections of familiar *Farm Times* farm columnists and feature writers, as well as commodity reports on crops grown elsewhere in the region. The purchase affected six employees in the Mini-Cassia area who will be invited to apply at *Ag Weekly*, although employment agreements were not included in the sale.

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